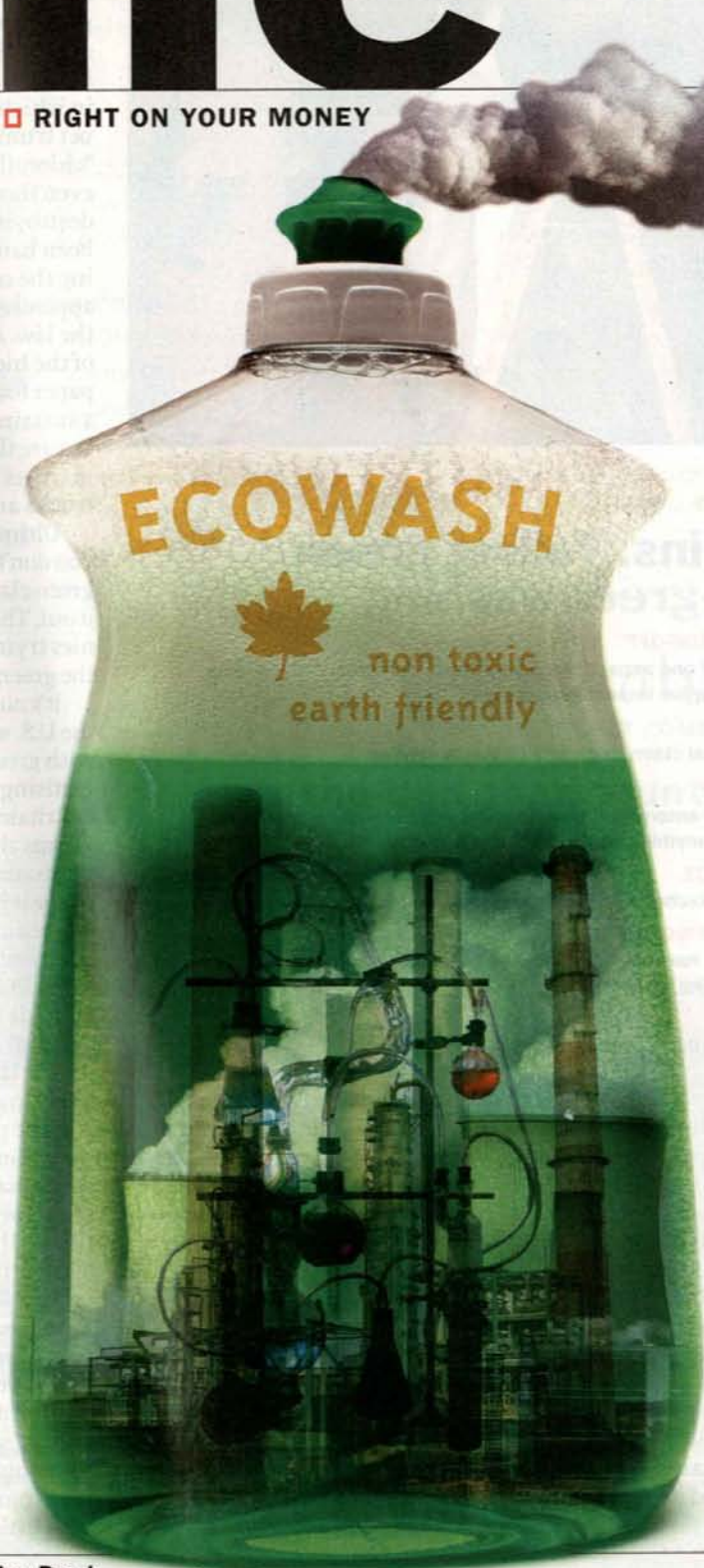


In economic terms, staying fit now may be worth hundreds of thousands of dollars later

RIGHT ON YOUR MONEY, PAGE 74

Life

GOING GREEN RIGHT ON YOUR MONEY



GOING GREEN

Eco-Buyer Beware.

Those “green” products often aren’t

BY BRYAN WALSH

SCOT CASE WAS NOT HAPPY. VICE president of the environmental marketing firm TerraChoice, Case last year sent his researchers into a big-box retail store to evaluate the green advertising claims of some of the products on its shelves. The results were startling: of the 1,018 products TerraChoice surveyed, all but one failed to live up fully to their green boasts. Words like *non-toxic* were used in meaninglessly vague ways. Terms like *Energy Star certified* were in fact not backed up by certification.

“I went ballistic,” Case says. “I assumed the researchers had butchered the study.” He had his team redo the survey, but the results came back the same. “It just shows we’re awash in greenwash.”

Many consumers may not have heard the term *greenwashing*, but they’ve surely experienced it—misleading marketing about the environmental benefits of a



product. Greenwashing isn't new—ever since the environment emerged as an issue in the early 1970s, there have been advertising firms trying to convince consumers that buying Brand X is the only way to save the earth. But as going green has become big business—sales of organic products alone went from \$10 billion in 2003 to more than \$20 billion in 2007—companies appear eager to associate themselves with the environment, deservedly or not.

If you're not yet sick of seeing whirling wind turbines and sun-dappled solar panels on TV, you will be: the new fall season is likely to feature a flood of green advertising. It's gotten so bad that the Federal Trade Commission (FTC) has been holding hearings over the past year to define the difference between genuine environmental claims and empty greenwash. It's not easy—and environmental advocates worry that truly green companies could get lost in all the clamor.

"We have such a challenge ahead of us on climate change," says Kevin Tuerff, a co-founder of the marketing

TRUTH TESTS

Six Sins. Telling green from greenwashing

HIDDEN TRADE-OFF

Promotion of one aspect of a product as environmentally friendly while its negative impact is obscured

NO PROOF

Environmental claim that can't be easily verified

VAGUENESS

Assertion so amorphous that it's meaningless—like a "nontoxic" claim when anything could be toxic if misused

IRRELEVANCE

Claim that's technically true but unimportant for the planet

LESSER OF TWO EVILS

Claim that is narrowly true but ignores larger environmental problems—like "green SUVs"

FIBBING

Claim that is demonstrably untrue

consultancy EnviroMedia. "Greenwashing harms the effort we need to be making."

The first step to cleaning up greenwashing is to identify it, and Tuerff and his partners have hit on an innovative way to spotlight particularly egregious examples. They've launched the Greenwashing Index (www.greenwashingindex.com), a website that allows consumers to post ads that might be examples of greenwashing and rate them on a scale of 1 to 5—1 is a little green

lie; 5 is an outright falsehood.

It's a simple device, but it shows the power of the Internet to truth-squad misleading ads; with a simple Web search, any consumer can find out if a car manufacturer hyping its fuel-efficient hybrids actually earns the majority of its revenue selling gas-guzzling trucks and SUVs. "We try to make it a little more transparent with the index," says Kim Sheehan, a communications professor at the University of Oregon and a co-founder of

the site. "It teaches people to be a little more cautious about the claims they hear."

Googling isn't the only way to take out the greenwashing, however. The TerraChoice website (www.terrachoice.com) offers a list of what it calls the "six sins of greenwashing"—six simple signs that should tip off consumers to a company that is more interested in selling the earth than saving it. One is the sin of irrelevance, in which, for example, a product trumpets the fact that it is "chlorofluorocarbon free"—even though those ozone-destroying chemicals have been banned for years, meaning the company is asking for applause for just following the law. Another is the sin of the hidden trade-off—the paper towels that come from a sustainably harvested forest but are then shipped to global markets aboard CO₂-spewing trucks and planes.

Ultimately, says Case, "if you don't understand where a green claim comes from, check it out. There are a lot of companies trying to relieve people of the green in their wallet."

It's not just consumers in the U.S. who are getting fed up with greenwashing. The Advertising Standards Authority in Britain received 561 complaints about potentially false green ads last year, up from 117 the year before. Norway has banned all car ads from using the terms *green*, *environmentally friendly* and *clean* on the grounds that all cars contribute to global warming.

The laissez-faire U.S. isn't likely to go that far, but the FTC is in the process of updating its Green Guide for consumers, which hasn't changed since 1998. The hope is that eventually we'll be able to define *green* in advertising the way we've defined *low calorie* and *low fat*. That needs to happen soon, before green loses all meaning. "We have better green products but a lot of exaggerated claims," says Case. "That could be enough to capsize the whole green movement"—and that's not a little green lie. ■